

ON 5/29/96

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STATE OF NEW JERSEY
DEP'T OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
BOARD OF PSYCHOLOGICAL EXAMINERS
DOCKET NO.

IN THE MATTER OF THE SUSPENSION OR:
REVOCATION OF LICENSE OF : ADMINISTRATIVE ACTION
CARL H. LICHTMAN, Ed.D. :
LICENSED TO PRACTICE PSYCHOLOGY : FINAL ORDER
IN THE STATE OF NEW JERSEY :

This matter was presented to the State Board of Psychological Examiners by way of Verified Complaint filed October 5, 1995. The Attorney General alleged numerous violations of the Practicing Psychology Licensing Act, N.J.S.A. 45:14B-1 et seq. and the Uniform Enforcement Act, N.J.S.A. 45:1-14 et seq., including N.J.S.A. 45:1-21 (b), (c), (e) and (h), as more fully set forth in the Complaint.

On October 16, 1995, the return date of the Order to Show Cause, respondent appeared through counsel Richard F. Aronsohn, Esq. and, following legal argument, agreed to the entry of an Order temporarily suspending his license, without admissions. On request of counsel and for good cause shown, the Board ordered that all documents other than the Complaint and the suspension Order be sealed pending further Order of the Board.

Respondent thereafter submitted to the Board reports of three

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practitioners who had examined and/or treated him: report dated January 18, 1996 by Hannan Schwartz, Ph.D.; report dated January 24, 1996 by Max Goldberg, M.D.; and report dated February 5, 1996 by Susan J. Flester, M.D. The Board has reviewed this material and finds that it does not warrant any modification of the disciplinary disposition set forth below.

Respondent has considered this matter with his counsel and has determined to admit the allegations of the Verified Complaint. For the purpose of expeditious settlement of the matter and in lieu of further administrative proceedings, respondent has agreed to pay two million dollars to the State of New Jersey in partial settlement of over two hundred fraudulent claims submitted to the manager of the State Health Benefits Plan. It is acknowledged that additional such claims were submitted to numerous other insurance carriers. Neither the financial settlement nor any other terms of this Order are intended to bind any other agency seeking reimbursement for these or other moneys unlawfully acquired or any other remedies authorized by law.

The Board has considered the information made available to date, and for good cause shown,

IT IS, on this *29th* day of *May* 1996

ORDERED:

1. The license of Carl R. Lichtman, Ed.D. to practice psychology in the State of New Jersey be and it is hereby revoked;
2. Respondent shall pay to the State of New Jersey two million

dollars (\$2,000,000.00) as reimbursement for moneys wrongfully acquired by submissions to the State Health Benefits Plan. This sum is deemed full settlement for the purposes of the Board's administrative proceeding. Payment of the stipulated sum by respondent to any other State agency as reimbursement for the State Health Benefits Plan shall be credited toward the sum assessed by this Order;

3. Respondent shall pay to the State Board of Psychological Examiners penalties of \$10,000 for the administrative violations set forth in the Complaint;

4. Respondent shall pay to the State Board of Psychological Examiners costs of \$306.00;

5. All moneys shall be paid to the designated recipient within 10 days of the entry of this Order applied first to costs, then penalty, then reimbursement; failure to pay within that time shall result in the filing of a Certificate of Debt as provided by N.J.S.A. 45:1-25.


6. Respondent shall comply with all directives applicable to psychologists whose licenses are revoked, as attached hereto and incorporated herein.

7. All documents submitted to the Board with regard to this matter shall remain sealed, pending further Order of the Board, except for the Verified Complaint, the Temporary Suspension Order, and the Final Order, which documents are deemed part of the public records of the Board.


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THIS ORDER IS EFFECTIVE UPON ENTRY.

STATE BOARD OF PSYCHOLOGICAL EXAMINERS

By: Jeffrey H. Tindall Ph.D. Chair
Jeffrey H. Tindall, Ph.D., ChairI have read and understood the within Order,
and consent to its entry by the Board.
Carl H. Lichtman, Ed.D.

Witness:


~~Richard H. Weiner, Esq.~~
Counsel to Dr. Lichtman

Richard H. Weiner

NEW JERSEY STATE BOARD OF PSYCHOLOGICAL EXAMINERS:
DIRECTIVE REGARDING FUTURE ACTIVITIES OF A PERSON
WHO HAS BEEN DISCIPLINED BY THE BOARD OR WHO HAS
VOLUNTARILY SURRENDERED A LICENSE TO PRACTICE PSYCHOLOGY.

A person whose license to practice psychology in this State is suspended or revoked, or whose surrender of license with or without prejudice has been accepted by the Board, shall conduct him/herself as follows. The disciplined person shall:

1) Promptly deliver the original license and current biennial registration to the Board office.

2) Desist and refrain from the practice of psychology in any form either as principal or as employee of another licensee or as a psychologist in an exempt setting.

3) Inform each patient/client at the time of any inquiry of the suspended or revoked or retired status of the license. When a new professional is selected by a patient, the disciplined person shall promptly make available the original or a complete copy of the existing psychological record to the new professional, or to the patient if no new professional is selected - except as may be otherwise permitted by the Board on a case-by-case basis. Such delivery of record does not waive any right of the disciplined person to claim compensation earned for prior services lawfully rendered.

4) Not occupy, share or use office space in which another licensed practitioner, or a practitioner exempted by law from licensure, practices a health care profession.

5) Desist and refrain from furnishing professional services, giving an opinion as to practice of the profession or its application or any advice with relation thereto; from holding him/herself out to the public as being entitled to practice the profession or in any way causing a reasonable person to assume that the disciplined person is a practicing professional; from advertising in English or in any other language or in such a manner as to convey to the public the impression that such person is a legal practitioner or authorized to practice the licensed profession. This prohibition includes refraining during the period of suspension or revocation from placement of any advertisement or professional listing in any advertising medium suggesting eligibility for practice or being in good standing, such as listing in a professional directory of any type or a telephone directory or radio or television advertisement.

6) Not use any sign or advertise that such person, either alone or with any other person, has, owns, conducts or maintains a professional office or office of any kind for the practice of the profession or that such person is entitled to practice. The disciplined person shall promptly remove any sign suggesting ability of the disciplined person to practice the profession.

7) Cease to use or to allow another to use any stationery whereon such person's name appears as a professional in practice.

8) Assure that for a six-month period following the start of a suspension of license of six months or more, or the effective date of revocation of license, a message shall be delivered to persons telephoning the former office premises advising former patients where they may obtain their records. The message may inform callers that the practice is now being conducted by (another) named licensee, and the new telephone number of that licensee may be announced. The same information shall be disseminated by means of a notice to be published at least once per month for the same six month period in a newspaper of general circulation in the geographic vicinity in which the professional practice was conducted.

9) Not share in any fee for professional services performed by another professional following the suspension, revocation or surrender of license, but the disciplined person may be compensated for the reasonable value of the services lawfully rendered and disbursements incurred on the patient's behalf prior to the effective date of the suspension, revocation or surrender.

10) Not use the professional premises. The disciplined person may allow another licensee to use the former office premises, on the following conditions only:

(a) The new licensee shall conduct the practice in every respect as his/her own practice, including billing, claim forms, insurance provider numbers, telephone numbers, tax identification numbers, etc.

(b) The disciplined person may accept no portion of the fees for professional services rendered by the new licensee, whether by percentage of revenue, per capita patient fee, or by any other device or design, however denominated. The disciplined person may, however, contract for or accept payment from the new licensee for rent (not exceeding fair market value) of the premises and/or equipment.

(c) There shall be no use of the name of disciplined person, or of that person's office name or tax or provider identification number.

1. Where the disciplined person was using an individual TIN number or where said person was the sole member of an incorporated professional association or professional service corporation, the disciplined person may contract to rent the office premises to a new practitioner. The new practitioner must use his/her own name and own provider number on all bills and insurance claim forms. Neither the name nor the number of the disciplined person may be used. When the license of a sole practitioner has been revoked, a trade name must be cancelled and a professional service corporation must be dissolved.

2. Where the disciplined person has been a member of a professional group which uses a group-type name such as the ABC

Psychological Services Group, the disciplined person must arrange to have his/her name deleted, covered up or otherwise obliterated on all office signs, advertisements published by the group after the effective date of the Board disciplinary Order or other final disposition of the matter, and on all printed billings and stationery. The other group members may continue to function under the professional incorporated or trade name, minus the name of the disciplined person, and may continue to use its corporate or professional identification number.

11) Report promptly to the Board his/her compliance with each directive requiring moneys to be reimbursed to clients or to other persons or third party payors or to any court, and regarding supervisory reports or other special conditions of the Order or other disposition of the matter.

12) A person whose license is surrendered, revoked or actively suspended for one year or more shall conduct him/herself as follows, unless and until the person's license is reinstated and the Board so permits:

(a) Promptly direct, in writing, the publishers of any professional directory, and any other professional list in which such person's name is known to appear, to remove any listing indicating or reasonably implying that the person is a licensee of the New Jersey State Board of Psychological Examiners in good standing.

(b) Promptly direct, in writing, any and all telephone companies not to renew the person's professional listing in any telephone directory indicating or reasonably implying that such person is a practicing professional.

13) A person whose practice privileges are affected by a Board disciplinary Order shall, within 30 days after the effective date of the Board Order, file with the Executive Director of the Board a detailed affidavit specifying by correlatively lettered and numbered paragraphs how such person has fully complied with this directive. The affidavit shall also set forth the residence or other address and telephone number to which communications may be directed to such person. Any change in the residence address or telephone number shall be promptly reported to the Board Executive Director.

14) Where the Board has stayed any part of a suspension order to allow professional practice on probation or on specified practice conditions, the licensee shall fully cooperate with the Board and its designated representatives, including the Enforcement Bureau of the Division of Consumer Affairs, in ongoing monitoring of the licensee's status and practice.

(a) Monitoring of practice conditions may include, but is not limited to, inspection of the professional premises and equipment, and inspection and copying of client records (confidentiality of

client identity shall be protected by the Board) to verify compliance with the Board Order and accepted standards of practice.

(b) Monitoring of status conditions for an impaired practitioner may include, but is not limited to, licensee cooperation in providing releases permitting unrestricted access to records and other information to the extent permitted by law from any treatment facility, other treating practitioner, support group or other individual/facility involved in the education, treatment, monitoring or oversight of the practitioner, or maintained by a rehabilitation program for impaired licensees. If bodily substance monitoring has been ordered, the licensee shall fully cooperate by responding to a demand for breath, blood, urine or other sample in a timely manner and providing the designated sample.